1955

Everywhere West
123-A
Burlington Route
BURLINGTON

Annual Report

CHICAGO, BURLINGTON & QUINCY RAILROAD COMPANY

Burlington Route

BOARDS
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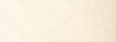
FOREWORD

TO OUR PATRONS—

The Company's accomplishments in 1955 were made possible by the many shippers and travelers who used our services. The confidence and good will of our patrons inspired employes and management to provide efficient, economical transportation to and through the growing region we serve.

We are grateful for your patronage.



One Hundred and Second

ANNUAL REPORT

of the

BOARD OF DIRECTORS

of the

CHICAGO, BURLINGTON & QUINCY
RAILROAD COMPANY

For the year ended
December 31, 1955

Burlington
Route

Chicago, Burlington & Quincy Railroad Company

DIRECTORS

RALPH BUDD *Retired President*, Chicago, Burlington & Quincy Railroad Company	Santa Barbara, Cal.
JOHN M. BUDD *President*, Great Northern Railway Company	St. Paul, Minn.
KENNETH F. BURGESS *Partner, Sidley, Austin, Burgess & Smith*	Chicago, Ill.
L. R. CAPRON *Vice President-Traffic Department*, Chicago, Burlington & Quincy Railroad Company	Chicago, Ill.
GEORGE M. FOSTER *Chairman of the Board*, John Morrell & Company	Ottumwa, Ia.
J. C. JAMES *Retired Executive Vice President and General Counsel*, Chicago, Burlington & Quincy Railroad Company	Chicago, Ill.
ROBERT S. MACFARLANE *President*, Northern Pacific Railway Company	St. Paul, Minn.
ELLSWORTH MOSER *President*, U. S. National Bank of Omaha	Omaha, Nebr.
H. C. MURPHY *President*, Chicago, Burlington & Quincy Railroad Company	Chicago, Ill.
CLARENCE B. RANDALL *Chairman of the Board*, Inland Steel Company	Chicago, Ill.
R. DOUGLAS STUART *Director*, The Quaker Oats Company	Chicago, Ill.

EXECUTIVE COMMITTEE

H. C. MURPHY . . . *Chairman*

JOHN M. BUDD
KENNETH F. BURGESS
GEORGE M. FOSTER
J. C. JAMES
ROBERT S. MACFARLANE
R. DOUGLAS STUART

OFFICERS

H. C. MURPHY, *President*	Chicago
F. L. KARTHEISER, *Vice President-Executive Department*	Chicago
L. R. CAPRON, *Vice President-Traffic Department*	Chicago
S. L. FEE, *Vice President-Operating Department*	Chicago
A. W. LAVIDGE, *Vice President and Comptroller*	Chicago
ELDON MARTIN, *Vice President and General Counsel*	Chicago
HOLLY STOVER, *Executive Assistant*	Washington, D. C.
F. E. SPERRY, *Assistant Vice President-Operating Department*	Chicago
H. H. URBACH, *Assistant Vice President-Mechanical*	Chicago
J. E. WOLFE, *Assistant Vice President-Labor Relations*	Chicago
R. W. COGLAN, *Treasurer and Assistant Secretary*	Chicago
A. D. McLANE, *Secretary, Assistant Treasurer and Transfer Agent*	Chicago
J. F. McALPINE, *Director of Purchases and Stores*	Chicago
WALTER McFARLAND, *Assistant General Counsel*	Chicago
R. T. CUBBAGE, *Assistant General Counsel*	Chicago
C. W. KROHL, *General Solicitor*	Chicago
R. C. SMITH, *General Auditor*	Chicago
E. J. BROWN, *Chief Engineer*	Chicago
O. E. SHALBERG, *Transfer Agent*	Chicago
R. M. O'KELLY E. V. FINK, *Fiscal Agents*	2 Wall Street, New York
GERARD MONTGOMERY CLARA M. BYRNES, *Transfer Agents*	2 Wall Street, New York

SECOND BANK-STATE STREET TRUST COMPANY, *Fiscal Agent and Transfer Agent*, State and Congress Streets, Boston

The above were Directors and Officers as of December 31, 1955.

HIGHLIGHTS OF OPERATIONS

	1955	1954	Increase (I) or Decrease (D)
Operating Revenues (Page 29)	$249,226,272	$252,352,714	$ 3,126,442(D)
Operating Expenses (Page 29)	$190,704,931	$190,333,761	$ 371,170 (I)
Operating Ratio (Page 29)	76.52	75.42	1.10 (I)
Available for Fixed Charges	$ 28,792,024	$ 29,654,910	$ 862,886(D)
Fixed Charges (Page 29)	$ 6,634,178	$ 6,643,190	$ 9,012(D)
Times Fixed Charges Earned	4.34	4.46	.12(D)
Total Taxes (Page 29)	$ 28,850,235	$ 28,989,381	$ 139,146(D)
Net Income	$ 22,157,846	$ 23,011,720	$ 853,874(D)
Dividends Paid	$ 12,812,902	$ 12,812,902	
Averages per Share of Stock:			
Taxes	$ 16.89	$ 16.97	$ .08(D)
Net Income	$ 12.97	$ 13.47	$ .50(D)
Dividends Paid	$ 7.50	$ 7.50	
Net Investment	$710,822,908	$707,359,797	$ 3,463,111 (I)
Rate of Return on Net Investment	3.73%	3.92%	.19(D)
Average Number of Employes	27,368	28,226	858(D)
Total Wages	$122,475,678	$123,924,405	$ 1,448,727(D)
Revenue Ton Miles	16,096,078,287	15,709,662,010	386,416,277 (I)
Revenue Passenger Miles	861,327,340	837,706,035	23,621,305 (I)
Miles of Road Operated— end of year	8,805.85	8,858.05	52.20(D)
Total Outstanding Funded Debt including Equipment Obligations (Page 36)	$216,915,240	$215,592,042	$ 1,323,198 (I)

REPORT

for the Year Ended December 31, 1955

Burlington handled a larger volume of traffic during the year 1955 than in 1954, but received less gross revenue due principally to the large decrease in movement of wheat, corn, iron and steel pipe and fittings, and ammunition and explosives.

The revenue freight ton miles handled in 1955 increased 2.46 per cent over 1954, and the revenue passenger miles handled increased 2.82 per cent over 1954. Freight train miles decreased .19 per cent and the passenger train miles decreased 1.57 per cent compared with the year 1954.

Operating revenues for the year were $249,226,272, a decrease of 1.24 per cent from the previous year, and the net income was $22,157,846, a decrease of 3.71 per cent compared with the previous year.

Operating expenses for the year were $190,704,931, an increase of .20 per cent over 1954. The operating ratio for 1955 was 76.52 per cent and for 1954 was 75.42 per cent.

Freight revenue, $203,700,425, was $2,600,980 less than in 1954, a decrease of 1.26 per cent. However, passenger revenue, $19,249,645, was $332,438 more than in 1954, an increase of 1.76 per cent. Mail revenue of $10,015,901 was a decrease of 14.37 per cent compared with 1954; express revenue of $3,381,927 was a decrease of 3.13 per cent compared with 1954; all other operating revenue of $12,878,374 was an increase of 7.80 per cent over 1954.

During 1955 the Company continued its program of improving the property, expending $25,216,060 chargeable to capital accounts. In the past ten years the gross capital expenditures have totaled $314,568,833.

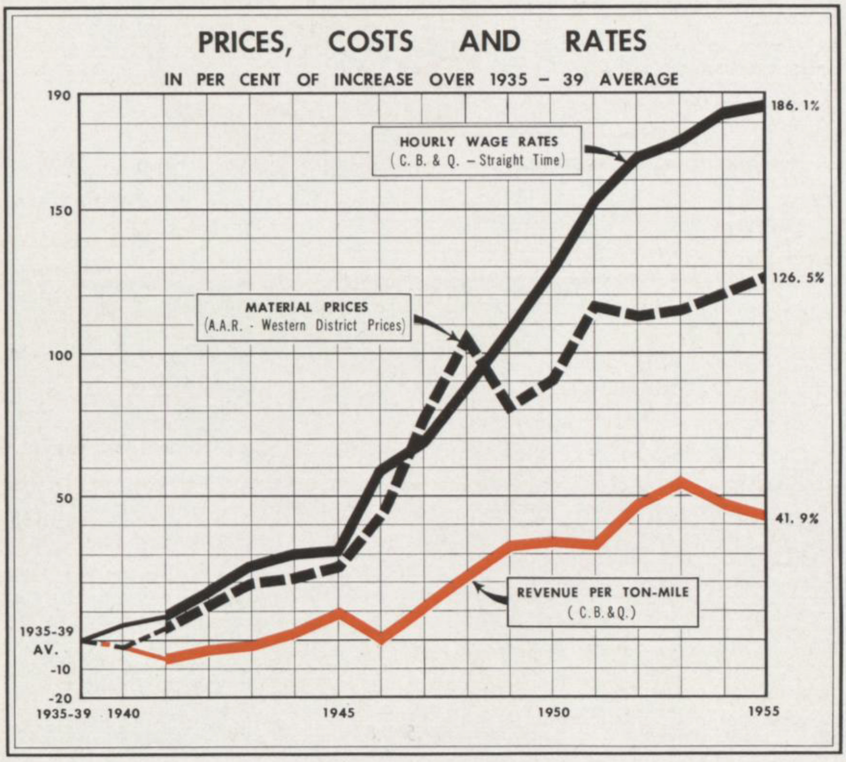
Capital Expenditures 1946-1955, inclusive

	Gross	Retirements	Net
Road and General	$104,095,024	$34,228,421	$ 69,866,603
Equipment	210,473,809	63,161,146	147,312,663
Total	$314,568,833	$97,389,567	$217,179,266

Capital Expenditures by years 1946-1955, inclusive

	Gross		Retirements		Net	
Year	Road and General	Equipment	Road and General	Equipment	Road and General	Equipment
1946	$ 7,589,022	$10,325,617	$ 2,456,665	$ 4,293,309	$ 5,132,357	$ 6,032,308
1947	8,579,787	22,387,809	1,984,481	4,533,130	6,595,306	17,854,679
1948	11,201,800	23,730,001	2,507,110	3,642,879	8,694,690	20,087,122
1949	9,256,970	19,161,939	2,645,945	3,677,817	6,611,025	15,484,122
1950	12,351,007	22,524,912	2,591,619	6,380,550	9,759,388	16,144,362
1951	8,647,919	21,080,167	2,701,451	7,575,134	5,946,468	13,505,033
1952	18,567,860	21,193,836	3,933,614	7,049,231	14,634,246	14,144,605
1953	11,720,397	33,730,890	4,472,896	9,387,049	7,247,501	24,343,841
1954	10,789,572	16,513,268	4,468,187	10,119,340	6,321,385	6,393,928
1955	5,390,690	19,825,370	6,466,453	6,502,707	Cr. 1,075,763	13,322,663
Total	$104,095,024	$210,473,809	$34,228,421	$63,161,146	$69,866,603	$147,312,663

The following chart shows the increases in the hourly wage rates and material prices and the increases in the revenue per ton-mile which have been very much lower.

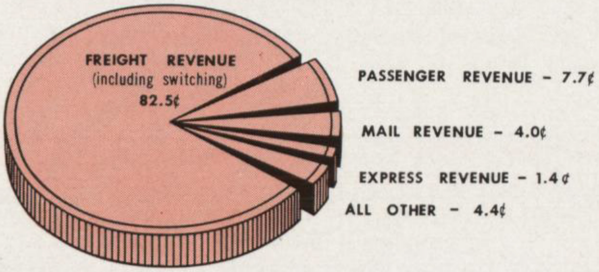


PRICES, COSTS AND RATES

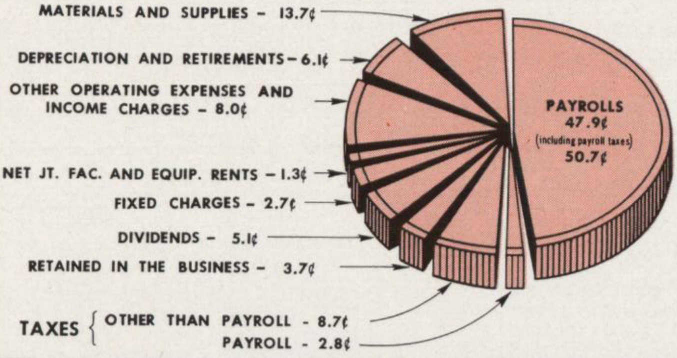
IN PER CENT OF INCREASE OVER 1935 – 39 AVERAGE

OUR 1955 INCOME DOLLAR

WHERE IT CAME FROM



WHERE IT WENT



A Diesel locomotive engineer.

FREIGHT TRAFFIC

Revenue tons carried in 1955 were 49,183,080, an increase of 1,566,362 or 3.29 per cent compared with 1954. Carloads of revenue freight increased 46,713 or 3.36 per cent compared with 1954.

Average revenue per ton mile decreased from 1.313 cents in 1954 to 1.266 cents in 1955, or 3.58 per cent.

Average load per car of carload traffic was the same in both years, 34 tons.

Source of Freight Revenue

	1955 Revenue*	Per Cent of Total	Per Cent Change from 1954	
			Increase	Decrease
Products of Agriculture	$ 41,855,745	18.95		8.92
Animals and Products	18,405,055	8.33	1.09	
Products of Mines	35,159,814	15.91	3.11	
Products of Forests	14,692,555	6.65	9.20	
Manufactures and Miscl.	91,416,748	41.38		1.88
Forwarder Traffic	11,390,899	5.16	13.79	
Less Carload Freight	8,001,419	3.62	4.09	
Total	$220,922,235	100.00		.75

*Gross Freight Revenue, stated without adjustments for absorptions or corrections which reduced total freight revenue to $203,700,425.

6000 horsepower speeds a train of perishables north to St. Paul.

AGRICULTURE AND LIVESTOCK

During 1955 production of major farm crops in states served by the Burlington was reduced by dry weather and government acreage control programs. Wheat production increased 2.5 per cent from 1954 but was 10.1 per cent below the average for the ten year period 1944-1953. Corn production declined 2.5 per cent from the previous year, potatoes 5.6 per cent, sugar beets 4.3 per cent and edible beans 7.9 per cent. More acreage was devoted to crops not under government control and, as a result, barley production increased 16.6 per cent and oats 7.2 per cent above the 1954 crops. Soybeans increased 1.02 per cent. Hay production was 2.1 per cent above the crop of 1954 and 11.9 per cent over the ten-year average.

The acreage planted to winter wheat in the fall of 1955 in Burlington states for harvest in 1956 is 1.8 per cent above the previous year and 12.3 per cent under the average for the ten-year period 1944-1953. Soil moisture in most of the territory is ample and the outlook for the 1956 winter wheat crop is good.

Stocks of grain in storage have continued to increase. Wheat storage was up 8.2 per cent, corn 2.2 per cent, barley 3.2 per cent, and oats 5.8 per cent over 1954.

During 1955 our agricultural department cooperated with federal, state, county, and local agencies to improve agriculture in the territory served by the Burlington. About 100,000 additional acres of land were put under irrigation from new wells in Nebraska during the year.

The 1955 wheat crop in the state of Nebraska is estimated at 78,255,000 bushels; and in the state of Kansas, 128,385,000 bushels. In addition, large amounts were in storage. At the close of 1955 it was estimated 109,656,000 bushels of wheat were in storage in Nebraska and 289,295,000 bushels were in storage in Kansas. Amounts still in storage are larger than the 1955 crops, and most of it is owned outright by the Commodity Credit Corporation or under loan.

There were 4.3 per cent less cattle on feed at close of 1955 in Burlington states as compared with the previous year, this number representing a 5.8 per cent increase over the ten-year average. Sheep and lambs on feed decreased 15.2 per cent from 1954. Estimates indicate a 5.9 per cent reduction in swine production during the spring of 1956 as compared with the unusually heavy production of last year.

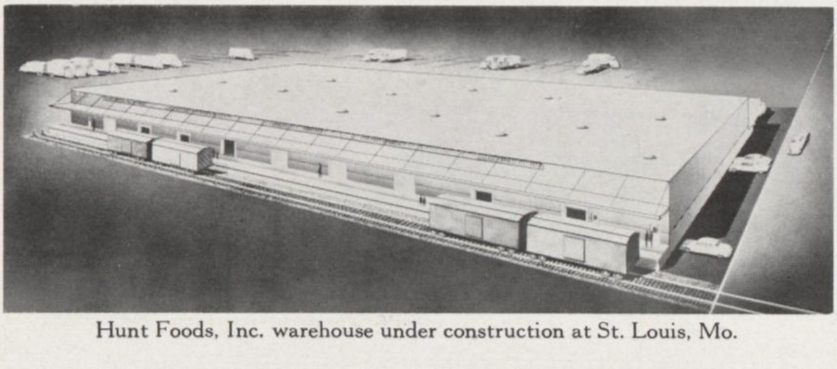
INDUSTRIAL DEVELOPMENT

Industrial development was active during 1955. Four hundred eighty-seven new industrial leases were made on land owned by the Burlington. Thirty-six new industries located on private land available to our service, and twenty industries served by our line enlarged their plant facilities. Forty new industrial tracks or track extensions were built and nine temporary contractors' tracks were installed.

Arrangements have been completed to purchase 28 acres of land at Ralston (Omaha), Nebraska, and 66 acres at West Burlington, Iowa, for industrial development. Civic industrial development groups also have purchased land for industrial development purposes to be served by the CB&Q. These include Council Bluffs, Iowa, 112 acres; Holdrege, Nebraska, 105 acres; and Alliance, Nebraska, 97 acres.

Our industrial department has continued to cooperate with Chambers of Commerce and Industrial Foundations in the cities served by the Burlington to attract industries.

New C-G Grain Co. 6,700,000 bushel elevator near Lincoln, Neb.



Hunt Foods, Inc. warehouse under construction at St. Louis, Mo.

FREIGHT RATES

By an order issued October 17, 1955, the Interstate Commerce Commission authorized the railroads to convert the Ex Parte 175 increase from a surcharge basis to a part of the permanent freight rates. The conversion was made effective December 1, 1955. The Ex Parte 175 surcharge basis was authorized in 1951-1952 and permitted surcharges generally of 15 per cent, except 12 per cent on agricultural products and some other commodities, subject in each instance to certain maximums. The Ex Parte 175 surcharge increase was to expire December 31, 1955.

Because of the apparent certainty that wages would be increased, the railroads in October 1955 began negotiations looking toward a new Ex Parte proceeding. Due to the time lag in prior Ex Parte proceedings, the carriers, after discussing the matter informally with the Interstate Commerce Commission, concluded to proceed by the filing of tariffs and necessary petitions for relief from the Fourth Section, outstanding orders, and the Commission's tariff rules. Authority for the necessary relief was granted by order dated December 28 and the proceeding was subsequently identified as Ex Parte 196. Tariffs were filed contemplating a freight rate increase of 7 per cent, to become effective February 25, 1956.*

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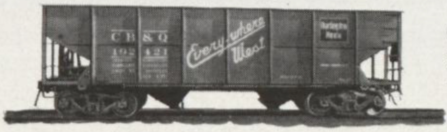
*At the request of the Interstate Commerce Commission effective date was postponed to March 7, 1956. The Interstate Commerce Commission, by order dated March 2, 1956, approved a 6 per cent increase except that on agricultural products including grain and grain products, livestock, fresh meats, and packing house products, a 5 per cent increase. The approval also provided for maximum increases on certain commodities including sugar, canned goods, lumber, coal, etc. If subsequently approved on all state traffic, it represents, on an annual basis, an increase of about 5.6 per cent for CB&Q. The tariff previously filed was corrected on one day's notice and the approved rates made effective March 7, 1956.

CB&Q
30050
Way of the Zephyrs

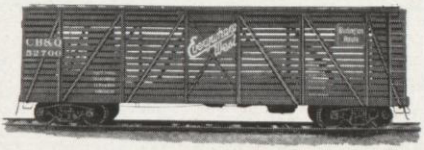
Box car is the most used type of freight car. Some box cars are equipped to handle special loads.

CB BQ
87 000
Everywhere West

Air-slide car for handling bulk flour, sugar, etc. Unloading is by gravity assisted by air pressure.



Open top hopper car carries such items as coal, sand and gravel. Unloading is through doors in bottom of car.



Stock cars are of two types: single-deck for cattle, double-deck for hogs and sheep. Burlington is the nation's largest livestock carrier.

The Interstate Commerce Commission has for some time had under investigation the Class rates within Mountain Pacific Territory, also the Trans-Continental rates between Mountain Pacific Territory, on the one hand, and points east of the Rocky Mountains, on the other. On October 19, 1955, the Commission prescribed an interim adjustment which in effect adopts what was proposed by the rail carriers. The Commission's order contemplates that the carriers will make this interim adjustment effective on or before June 1, 1956. The case is held open for further consideration of a permanent adjustment. The interim adjustment prescribed represents a substantial reduction in Class rates and it is estimated will reduce Burlington revenues in the neighborhood of $100,000 annually.

The barge transportation interests on the Mississippi River, Missouri River, Illinois waterways, and Tennessee River in recent years have agitated, in formal proceedings before the Commission, the principle of applying rail rates on ex-barge traffic, the same as on ex-rail, as to all grain and grain products. These interests were strongly supported by the Tennessee Valley Authority. In 1955, after extensive hearings, the Commission entered an order dismissing this complaint. Subsequently the complainants' petition for reconsideration was denied. Complainants are taking the case to the courts and every effort will be made to sustain the Commission's decision as the principle involved is a most important one to the rail carriers.

PASSENGER TRAFFIC

Revenue passengers (other than commutation) carried in 1955 increased 370,215 or 7.95 per cent over 1954 and revenue passenger miles increased 20,181,669 or 2.79 per cent over 1954; the average distance traveled per passenger was 147.8 miles in 1955 or 4.77 per cent under 1954; the average revenue per passenger mile was 2.30 cents in 1955 compared with 2.33 cents in 1954, a decrease of 1.29 per cent.

Passenger revenue from commutation fares (multiple-ride tickets to and from Chicago only) was $2,150,830, an increase of $70,203 or 3.37 per cent over 1954.

The Centenary of the arrival of the first passenger train at Burlington, Iowa, on May 31, 1855, over what is now part of the Chicago, Burlington & Quincy Railroad was celebrated jointly with the city of Burlington on May 26-31, 1955.

Our program of promoting student educational trips by rail was continued and the Company handled approximately 51,864 students between various points on our line during the school year September 1954 through June 1955.

BURLINGTON

Stainless steel air-conditioned suburban gallery cars.

Rail Travel Credit Cards

Effective August 1, 1955, most of the Eastern carriers as well as a number of the Western lines again joined in the Rail Travel Credit Card arrangement. These cards are issued to companies and individuals and are used in obtaining rail and sleeping car transportation as well as meals and refreshments on the train, bills for which are sent to the subscriber at the end of the month. The Burlington has been a party to this arrangement since its inception in the spring of 1947. Use of these cards on Burlington has substantially increased since Eastern lines again joined in the arrangement.

Passenger Equipment

Ten additional stainless steel air-conditioned suburban gallery cars similar to those already in service were ordered in January and received during the last quarter of the year. This brought the total of such gallery cars to fifty.

The Great Dome coaches and Great Dome buffet-lounge cars for the Empire Builder were received during the summer and fall and the coaches placed in service on that train between Chicago and Seattle and Chicago and Portland, and the buffet-lounge car between Chicago and Seattle.

Vista-Dome Chicago-Kansas City Zephyr.

Twenty-eight new stainless steel Zephyr-type passenger cars, including necessary cars for two new Denver Zephyrs, were ordered. The new Denver Zephyrs will feature Vista-Domes and a new type of all-room coach-sleeper, and will be placed in service between Chicago and Colorado in the fall of 1956. The cars are being built by the Budd Company. Each of the new Denver Zephyrs will have four deluxe all-room Pullman sleeping cars, also two all-room coach-sleepers, a streamlined coach, a Vista-Dome coach, a colorful dining car, and two feature cars—the Chuck Wagon Vista-Dome buffet car and a Vista-Dome parlor-observation-lounge car.

The coach-buffet-lounge cars on the North Coast Limited were converted to "Travelers' Rest Cars," which are divided so as to provide lounge facilities in half the car and food and beverage service in the other half of the car, which has a table seating capacity for fourteen.

Passenger Diesel
emerges from
automatic washer units
at Chicago.

Mail

1955 was the first full year of operation under the "space used basis" for the payment of handling of mail, and it is estimated that this basis has the effect of decreasing our revenue on mail about 8 per cent per annum.

Additional mail handling facilities now under construction at the Chicago Union Station will provide more trackage, platform space, sorting room, and mechanical belt conveyors.

The U.S. Circuit Court of Appeals for the District of Columbia, on December 12, 1955, upheld the legality of flying letter mail bearing only three cents postage on an "experimental" basis. The five western railroads which brought suit have filed a petition for rehearing.

Unprofitable Passenger Trains—Efforts to reduce the operation of unprofitable passenger train service were continued and resulted in a reduction in annual passenger train miles of 81,440.

OPERATIONS

Maintenance of Way and Structures expenses, excluding depreciation and retirements, increased $1,892,096 or 6.23 per cent over 1954. Some of the important maintenance work performed during the year was:

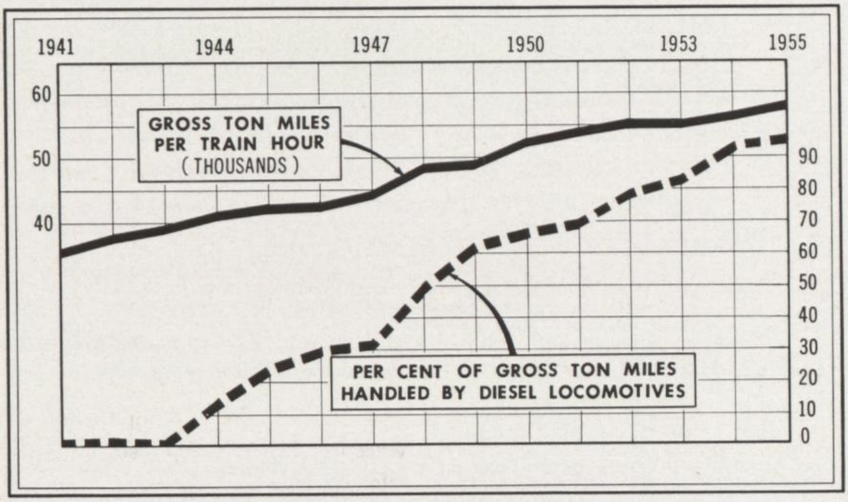
Track relaid with new 129-lb. T.R. rail	**41.75 miles**
Track relaid with new 112-lb. T.R. rail	**148.37 miles**
Track relaid with secondhand 112, 110, 100 and 90-lb. rail	**40.74 miles**
New creosoted cross ties placed in track	**445,000**
Ballast applied	**327,000 cu. yards**

Maintenance of Equipment expenses, excluding depreciation and retirements, decreased $4,337,138 or 12.96 per cent under 1954. All equipment was currently maintained; 2,791 cars were given general repairs.

Transportation expenses increased $1,669,347 or 1.75 per cent over 1954.

★ ★ ★ ★ ★ ★

Gross ton miles per train hour and percent of gross ton miles handled by diesel locomotives:



IMPROVEMENTS

Capital expenditures in 1955:

	Gross	Retirements	Net
Road	$ 5,390,684	$ 6,185,661	Cr. $ 794,977
Equipment	19,825,370	6,502,707	13,322,663
General	6	280,792	Cr. 280,786
Total	$25,216,060	$12,969,160	$12,246,900

Road

Capital charges for improvement and replacement of bridges amounted to $657,888.

Major improvements completed during the year:

Construction of Diesel engine terminal Quincy (West Station).

Passenger facilities, engine terminal, and freight yard are now fully in operation on the Missouri side of the Mississippi River. Only local freight facilities remain at Quincy. This eliminated a serious bottleneck for both passenger and freight trains, permitting faster and more efficient handling of Chicago-Kansas City traffic, as well as St. Louis-Burlington business.

Installation of automatic block signals between Galesburg and Bushnell, Illinois, and centralized traffic control between Bushnell and Quincy on the Chicago-Kansas City line.

These improvements are a part of a general plan to reduce restrictive speed conditions and expedite movements over the line to Kansas City.

Installation of centralized traffic control between Pacific Junction, Iowa, and Lincoln, Nebraska.

This improved signaling expedites train operations between these points and through Omaha terminal. All single track sections of the Chicago-Denver line are now equipped with centralized traffic control.

Curve and grade reductions on the Chicago-Kansas City line near Plymouth, Illinois, and between Ewbanks and Quincy, Illinois.

These line improvements reduced distance 1,239 feet and curvature 209°5′ and eliminated restrictive speed conditions between Galesburg and Milepost 260, a distance of 98 miles.

Construction of warehouse at Denver, Colorado.

Existing facilities were inadequate to accommodate carload receivers not located on railroad trackage. It is expected that an additional 415 cars of business annually will result from this improvement.

Line change at Bellevue, Nebraska.

This work was done at the expense of the United States Government to permit extension of runways at the Offutt Army Air Base.

Major improvements under construction:

Installation of cab signal system between Chicago and Aurora, Illinois, including application of equipment to 130 locomotives.

Equipment installation on locomotives is complete and system is in operation between LaVergne and Aurora. Remaining work between Union Avenue (Chicago) and LaVergne and at the west end of Aurora is progressing.

Installation enhances safety and permits maximum speeds.

Consolidation of terminal facilities at St. Joseph, Missouri, for maintenance and servicing of Diesel locomotives due to conversion from steam to Diesel.

All unnecessary buildings are being retired and remaining facilities consolidated to provide more economical operations, reduce heating expense, maintenance, etc.

Construction of a modern classification yard with electronically controlled retarders and other necessary yard facilities at Cicero, Illinois.

This improvement will result in faster and more efficient handling of cars through the terminal at Chicago. When completed, it is estimated the average car will move through the terminal 3½ hours faster than at present, with the use of fewer Diesel switchers.

Replacement of Bridge 0.86 over Platte River in Denver, Colorado.

This improvement provides a permanent bridge to insure uninterrupted movement in an area of heavy traffic. It replaces a bridge with timber piers which was vulnerable to fire and high water.

Replacement of temporary bridge 13.55 over Ogden Avenue (U.S. Route 34) at LaGrange, Illinois, with permanent structure.

This is a joint project with the State of Illinois assuming 60 per cent of the expense. It will provide a clear span for highway traffic and will insure uninterrupted train operations over this bridge which carries all traffic into Chicago. Present timber center bent has been struck many times by highway vehicles and was heavily damaged by a fire in 1953, causing serious interruptions to train operations.

Construction of subway to carry U.S. Route 24 under Burlington tracks near station at Quincy (West Station).

This is a joint project with the state of Missouri assuming 90 per cent of the expense. It will eliminate a heavily traveled grade crossing which is only 900 feet from Burlington's new Quincy (West) station.

Construction of additional facilities at Galesburg Timber Treating plant.

These improvements will enable Galesburg to handle all timber treating requirements and permit retirement of the Sheridan, Wyoming, plant. Estimated annual saving $313,000.

Relocation of 2.95 miles of line and raising grade of existing line near Glendo, Wyoming, in connection with dam and reservoir construction by Bureau of Reclamation.

Except for minor betterments in increased weight of rail and concrete bridge construction, the United States Government will assume all costs of this work.

Equipment

Built in Company Shops:

350—52′6″ 70-ton all steel mill type gondola cars.
10—65′6″ 70-ton all steel mill type gondola cars.
200—29′3″ 70-ton all steel covered hopper cars.
100—50′6″ 50-ton all steel DF box cars.
10—75′ 62½-ton all steel flat cars.
150—40′ 50-ton refrigerated meat cars.
2—50′ 70-ton mechanical refrigerated cars.

Purchased:

85—29′6″ 50-ton all steel airslide covered hopper cars.
30—1750 h.p. SD-9 Diesel-electric road-switch locomotives.
10—1200 h.p. SW-12 Diesel-electric switch locomotives.
5—2400 h.p. E-9 Diesel-electric passenger locomotives.
10—Double-deck, stainless steel suburban coaches.
3—85′ Stainless steel dome coaches.
1—85′ Stainless steel full dome-lounge car.

Equipment on order, delivery expected in 1956:

To be built in Company Shops:

650—50′6″ 50-ton all steel box cars.
390—53′6″ 50-ton all steel flat cars.
50—60′ 70-ton all steel flat cars.
250—29′3″ 70-ton all steel covered hopper cars.
40—65′6″ 70-ton all steel mill type gondola cars.
71—50′ 70-ton mechanical refrigerated cars.

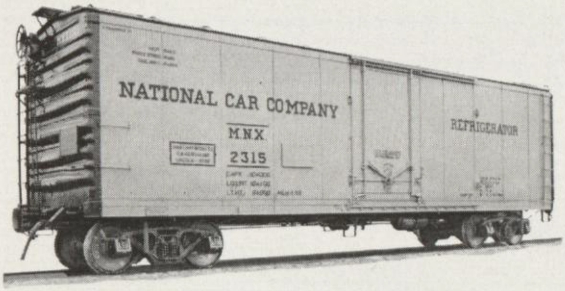
To be purchased:

52—29′6″ 50-ton all steel airslide covered hopper cars.
5—2400 h.p. E-9 Diesel-electric passenger locomotives.
28—Stainless steel passenger train cars.

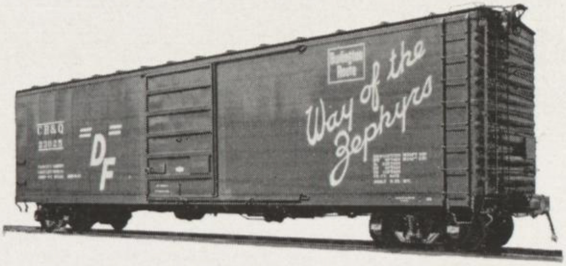
9998B
E9
BURLINGTON

New 2400 h.p. E-9 Diesel electric passenger locomotive.

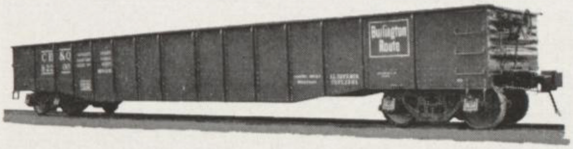
Some of the new Freight Cars built in 1955


NATIONAL CAR COMPANY
M.N.X.
2315
REFRIGERATOR

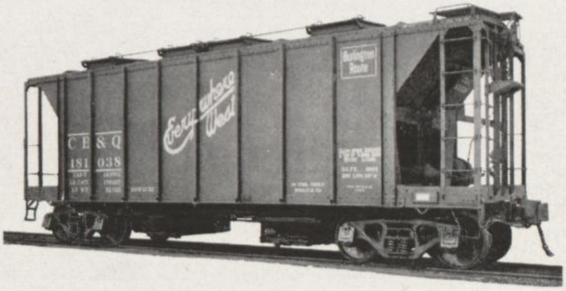
40'0" 50-ton refrigerated meat car.


Burlington Route
Way of the Zephyrs
CB&Q
DF

50'6" 50-ton all steel Damage Free box car.

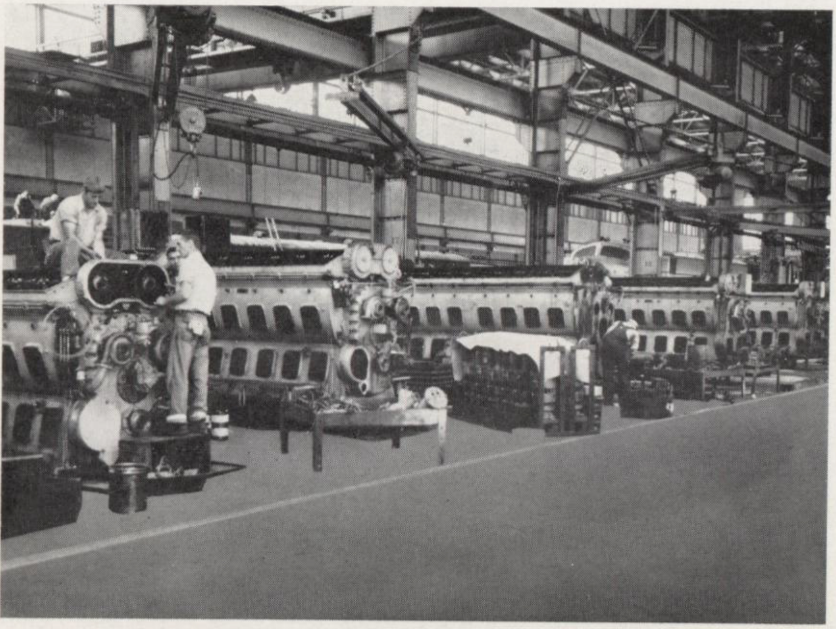

Burlington Route
CB&Q

52'6" 70-ton all steel mill type gondola car.


Burlington Route
Everywhere West
CB&Q
181038

29'3" 70-ton all steel covered hopper car.

Production line in car shop at Havelock, Neb.



Diesel engines being overhauled in West Burlington Shops.

SIGNALING

Major items of signaling during 1955 included the placing in service of the centralized traffic control through the Omaha passenger terminal, which was a part of the Pacific Junction and Lincoln CTC project.

On the line between Galesburg and Quincy, Illinois, the CTC between Bushnell and Quincy, Illinois, was placed in service, and it is expected that the CTC between Palmyra and Macon, Missouri, will be completed during the fall of 1956.

Modern highway crossing protection was installed on twenty-one crossings, and eight existing installations were modernized replacing manual protection at five locations.

The cab signal system for passenger train operation between Chicago and Aurora, Illinois, has now been extended to Steward Junction, Illinois, and should be completed into Savanna during the summer of 1956.

LINE ABANDONMENTS

On February 23, 1955, the Interstate Commerce Commission authorized abandonment of the line of railroad between Bilbey Switch and Clearmont, Nodaway County, Missouri, a distance of approximately 12.88 miles. The line was abandoned on April 1, 1955.

By order dated May 11, 1955, effective June 10, 1955, the Interstate Commerce Commission authorized abandonment of the following portions of branch lines in the State of Nebraska, aggregating 34.61 miles:

(1) Between Lushton and McCool Junction, approximately 7.20 miles, in York County;

(2) Between Hildreth and Holdrege, approximately 17.60 miles, in Franklin, Kearney, and Phelps Counties;

(3) Between Nemaha and Auburn, approximately 9.81 miles, in Nemaha County.

Applications for authority to abandon the lines (1) between Stockport and Birmingham, Iowa (6.39 miles), and (2) between Hannibal and Palmyra, Missouri (15 miles), are pending before the Interstate Commerce Commission.

LABOR

Agreements executed in 1955 by the Regional Committees representing all railroads of the Nation with the operating brotherhoods involved wage increases of approximately 10½ cents an hour to all operating employes, plus a 2 per cent equity adjustment applicable to locomotive engineers and conductors, and an increase in behalf of conductors and trainmen in freight service based upon the number of cars handled in freight trains. In addition, yard engine foremen were granted a 25 cents per day increase representing an equity adjustment and the Five Day Work Week Agreement applicable to yardmen, which had been optional, was made compulsory and the conversion factor to be applied upon establishment of the five day work week was increased. The effect of these increases on CB&Q operating expenses will be approximately $2,772,000 per annum.

An agreement was executed between the Regional Committees representing the railroads and the non-operating labor organizations on December 21, 1955, providing for a wage increase of 14½ cents per hour effective December 1, 1955. This agreement also provides for the railroads to pay the entire cost of the existing health and welfare plan effective March 1, 1956, replacing the previous agreement which required the employe to contribute $3.40 per month and the employer to match that amount. This agreement will increase CB&Q expense approximately $7,598,000 per annum.

Rail gang ready to move after re-laying job near Savanna, Ill.

REVISION OF NATIONAL TRANSPORTATION POLICY

In April, 1955, an Advisory Committee on Transport Policy and Organization submitted to the President of the United States a Report based upon a "Comprehensive Review of Over-all Federal Transportation Policies and Problems." This Committee, which was appointed July 12, 1954, consists of the Secretary of Commerce as Chairman, the Secretary of Defense and the Director of the Office of Defense Mobilization, with whom there served as participating members the Secretary of the Treasury, the Postmaster General, the Secretary of Agriculture, and the Director of the Bureau of the Budget. The Committee was assisted in its studies by a working group of men eminently qualified in the field of transportation. This Committee approached its appraisal of national transportation policy upon the premises that "the transportation industry operates today in the general atmosphere of pervasive competition; that adjustment of regulatory programs and policies to these competitive facts is long overdue; and that the restoration and maintenance of a progressive and financially strong system of common carrier transportation is of paramount importance to the public interest."

The railroads are generally in agreement with the **objectives** of this Report. They are particularly impressed by the soundness of the Committee recommendation that the Interstate Commerce Commission, in considering the reasonableness of railroad rates, should not consider the effect of such rates upon other forms of transportation. This basic principle is the foundation of the Committee Report. It is hoped that the Congress will adopt legislation which will "let competition work."

SAFETY AWARDS

The National Safety Council's Public Safety Activities Award was conferred on the CB&Q during the year in recognition of activities to promote greater public safety. These activities were directed toward the prevention of accidents at rail-highway crossings and resulting from trespassing, as well as at home and elsewhere off the job. Extensive educational work was done with schools and community groups.

The Council also gave Awards of Merit to our Denver Terminal, Aurora Car Shop, West Burlington Diesel Shop, and a Certificate of Commendation to Special Agents Department in recognition of outstanding safety on the job.

FINANCIAL

During 1955 capital liabilities of the Company increased $1,323,198:

	Increase	Decrease	Net
Funded Debt..........	$ 1,633,000	$ 2,438,000	$ 805,000 Decrease
Equipment Obligations	13,050,000	10,921,802	2,128,198 Increase
Total...........	$14,683,000	$13,359,802	$ 1,323,198 Increase

The total interest charges for 1955 decreased $18,788.

DIVIDENDS

Dividends totaling $7.50 per share were paid in 1955, the ninety-fourth consecutive year in which the Company has paid a dividend.

TAXES

Tax accruals in 1955 decreased $139,146 compared with 1954:

	1955	
Federal income taxes...............	$10,558,348	$1,123,366 Decrease
Federal Railroad Retirement taxes...	6,577,625	170,792 Increase
Federal Unemployment taxes........	525,782	14,145 Increase
State and Other Government taxes...	11,188,480	799,283 Increase
Total....................	$28,850,235	$ 139,146 Decrease

Total taxes in 1955 amounted to 11.58 per cent of total operating revenues, equivalent to $16.89 per share of capital stock or **more than twice** the amount of dividends paid.

ACCELERATED AMORTIZATION

Since 1950 the Company has had the benefit of deducting, in income tax returns, amortization of a part of the cost of certain equipment and other facilities over a 60-month period when certified by the Office of Defense Mobilization. In the stated income account the Interstate Commerce Commission has allowed only normal depreciation charges and the excess amortization allowance has had the effect of increasing the stated net income. After the 60 months' amortization period the normal depreciation charged on the amortized property will be included in the income account but no deduction therefor allowed for tax purposes, which will have the effect of reducing the stated net income.

During the last five years stated net income has been increased because of tax deferment from accelerated amortization in excess of normal tax depreciation by the amounts shown below as "Tax Deferment."

Year	Accelerated Amortization	Tax Deferment	Tax Deferment per Common Share
1951..........	$2,914,336	$1,414,408	$ .83
1952..........	4,785,467	2,483,042	1.45
1953..........	6,529,313	3,395,243	1.99
1954..........	8,638,003	4,491,761	2.63
1955..........	9,728,554	5,058,849	2.96

GOVERNMENT LITIGATION

Previous Annual Reports have mentioned the seventeen complaints against the railroads, filed with the Interstate Commerce Commission by the United States, seeking reparation for alleged unreasonable freight charges on shipments of war materials. The Commission dismissed the complaints by order dated February 7, 1955. The United States, on May 26, 1955, filed a petition seeking reconsideration by the Commission of its findings.*

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*On January 9, 1956, the Commission denied the Government's petition, stating that the petition failed to raise any doubts as to the correctness of its findings.

EMPLOYE BENEFITS

The Relief Department paid out $782,676 in disability and death claims to 4,127 employes during the calendar year 1955.

The Company paid federal taxes of $6,577,625 to provide for disability and old-age retirement of employes. The Company also paid a federal railroad unemployment insurance tax of $525,782.

The Railroad Retirement Board advised under date of October 6, 1955 that as the balance in the Railroad Unemployment Insurance Account at the close of business on September 30, 1955 was below $400,000,000, it would be necessary under Section 8 of the Railroad Unemployment Insurance Act to increase the contribution rate for the calendar year 1956 from the rate in effect of ½ per cent to 1½ per cent. This will increase the annual company payment by about $1,100,000.

ILLINOIS TERMINAL

Hearings before the Interstate Commerce Commission on the proposal of CB&Q and ten other railroads to acquire through a subsidiary all of the properties of Illinois Terminal Railroad Company were concluded in 1955, and a favorable proposed report was released.† The Illinois Terminal owns extensive properties in the East St. Louis area, and operates to Peoria and Champaign-Urbana via Springfield, Illinois.

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†By order dated April 2, 1956, the Commission approved this transaction.

Centralized Traffic Control boards at McCook, Neb., a nerve center for main line traffic control.

BURLINGTON TRUCK LINES, INC.

During the year, Burlington Truck Lines, Inc., a wholly-owned subsidiary, had a net profit of $342,170 compared with a net profit of $192,334 in 1954.

Operating revenues were $9,576,977, an increase of $2,300,839 or 31.62 per cent over 1954.

Operating expenses were $8,124,554, an increase of $1,653,769 or 25.56 per cent over 1954.

Truck miles operated over an average of 5,258 route miles were 11,333,335, an increase of 1,410,977 or 14.22 per cent over 1954.

Units of revenue freight equipment owned as of December 31, 1955, compared with December 31, 1954, were as follows:

	1955	1954
Trucks	171	145
Truck-tractors	287	222
Semi-trailers	699*	426

*Includes 145 under lease.

During the year, 308 trailers were sold and 400 "high-cube" or "volume van" trailers were purchased. Also, 100 tractors were sold and 100 of the latest type "space saver cab" tractors purchased to permit utilization of the new 35-foot trailers versus old 32-foot trailers. There were also 27 trucks, 66 tractors and 36 semi-trailers additionally acquired in 1955. These transactions provided Burlington Truck Lines with new equipment for all over-the-road business.

Burlington Truck Lines, Inc. is performing the pick-up and delivery service for CB&Q at 43 points, the work at 7 points having been added in 1955.

BURLINGTON
BURLINGTON
CB&Q 94504

New stainless steel "volume van" trailers on special 75 ft. flat car.

During the year, trailer-on-flat-car (piggy-back) operations with the CB&Q RR were further expanded. At the end of the year the CB&Q had 180 45-foot flat cars in such service; in addition, 10 new 75-foot flat cars, each capable of hauling two trailers, were built during the year. Piggy-back service is satisfactorily meeting the shipping requirements of an increasing number of concerns, and there is every evidence that this phase of our service will continue to grow. This service increased from about 800 movements in 1954 to about 5,900 movements in 1955, and it is expected 1956 will show a substantial growth over 1955.

In order to further coordinate rail-highway service, authority was granted to purchase the Arrow Freight Lines with operating rights in Nebraska, specifically the North Platte Valley and the Black Hills territory. When Interstate Commerce Commission approval is received this will close one more gap in connection with "blanketing" the rail lines with truck service.

BURLINGTON
5133
BURLINGTON
BURLINGTON

Trailers being loaded on flat cars in Cicero, Ill.

CHANGE IN TERMS OF DIRECTORS

In compliance with a decision of the Supreme Court of Illinois early in 1955, interpreting the Illinois Constitution as it relates to the terms of Directors of Illinois corporations, an amendment to the Company's by-laws was adopted at the Annual Stockholders Meeting, providing for annual election of all of the Company's Directors.

During the year Mr. Kenneth F. Burgess, of Sidley, Austin, Burgess & Smith; Mr. Clarence B. Randall, Chairman of the Board, Inland Steel Company; and Mr. L. R. Capron, Vice President-Traffic Department, Chicago, Burlington & Quincy Railroad Company, were elected Directors.

CHANGES IN ORGANIZATION

The following officers retired under the Pension Rules in 1955:

Mr. R. B. Battey, General Freight Traffic Manager (Rates and Divisions), after 48 years of service with the Company.

Mr. C. E. Melker, General Superintendent of Motive Power, after 48 years of service with the Company.

Mr. E. J. Brown, Assistant Chief Engineer, was appointed Chief Engineer, effective January 1, 1955, after 35 years of service with the Company.

Mr. B. F. Laubenfels, Principal Assistant Engineer, was appointed Assistant Chief Engineer, Lines East, effective January 1, 1955, after 25 years of service with the Company.

Mr. J. K. McCann, Assistant General Storekeeper, was appointed General Storekeeper, effective January 1, 1955, after 35 years of service with the Company.

Mr. O. J. Smidl, Assistant to Vice President-Operation (Contracts) was appointed Assistant Vice President-Operation (Contracts), effective February 1, 1955, after 54 years of service with the Company.

Mr. G. H. Rehm, Freight Traffic Manager (Rates and Divisions), was appointed General Freight Traffic Manager (Rates and Divisions), effective February 1, 1955, after 32 years of service with the Company.

Mr. R. E. Barr, Assistant Freight Traffic Manager (Rates and Divisions), was appointed Freight Traffic Manager (Rates and Divisions), effective February 1, 1955, after 22 years of service with the Company.

Mr. J. D. Rezner, Superintendent Car Department, was appointed Mechanical Assistant to Vice President-Operation, effective November 1, 1955, after 39 years of service with the Company.

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The Company expresses appreciation for the loyal and effective services of its officers and employes.

By order of the Board of Directors.

H. C. MURPHY, President

COMPARATIVE STATEMENT OF INCOME, YEARS ENDED DECEMBER 31

(See Pages 40 to 42)

Percent of Ry. Oper. Revenue	1955	Railway Operating Revenues	1954	Percent of Ry. Oper. Revenue
81.73	$203,700,425	Freight	$206,301,405	81.75
7.72	19,249,645	Passenger	18,917,207	7.50
4.02	10,015,901	Mail	11,696,538	4.64
1.36	3,381,927	Express	3,491,260	1.38
1.90	4,727,377	All other transportation	4,451,003	1.76
2.89	7,208,840	Incidental	6,580,987	2.61
.38	942,157	Joint facility	914,314	.36
100.00	249,226,272	Total railway operating revenues	252,352,714	100.00
		Railway Operating Expenses		
Operating Ratios 15.15	37,759,174	Maintenance of way and structures	35,419,111	14.03 Operating Ratios
15.71	39,149,896	Maintenance of equipment	43,180,519	17.11
2.47	6,155,534	Traffic	6,098,579	2.42
39.03	97,279,128	Transportation	95,609,781	37.89
1.40	3,484,666	Miscellaneous operations	3,352,454	1.33
2.76	6,876,533	General	6,673,317	2.64
76.52	190,704,931	Total railway operating expenses	190,333,761	75.42
23.48	58,521,341	Net revenue from railway operations	62,018,953	24.58
	10,558,348	Federal income taxes	11,681,714	
	7,103,407	Federal payroll taxes	6,918,470	
	11,188,480	All other taxes	10,389,197	
	*28,850,235	Total taxes	* 28,989,381	
	29,671,106	Railway operating income	33,029,572	
	Dr. 1,140,454	Hire of equipment—Net	Dr. 3,317,506	
	Dr. 2,040,249	Joint facility rents—Net	Dr. 1,963,537	
	26,490,403	Net railway operating income	27,748,529	
		Other Income		
	952,727	Rentals	878,475	
	1,557,333	Dividends and interest	1,446,039	
	32,332	Miscellaneous	43,184	
	2,542,392	Total other income	2,367,698	
	29,032,795	Total income	30,116,227	
		Deductions from Total Income		
	31,695	Rents payable	47,141	
	147,758	Taxes on nonoperating property	139,229	
	61,318	Miscellaneous income charges	274,947	
	240,771	Total deductions	461,317	
	28,792,024	Income available for fixed charges	29,654,910	
		Fixed Charges		
	51,710	Rent for leased roads and equipment	51,520	
	6,524,607	Interest on funded debt	6,543,395	
	3,682	Interest on unfunded debt	1,401	
	54,179	Amortization of discount on funded debt	46,874	
	6,634,178	Total fixed charges	6,643,190	
	22,157,846	Net income after fixed charges	23,011,720	
		Disposition of Net Income		
	12,812,902	Dividend appropriations of income	12,812,902	
	$ 9,344,944	Balance of income transferred to Earned Surplus	$ 10,198,818	

*See Page 24—"Taxes"

GENERAL BALANCE SHEET

December 31, 1955

ASSETS

INVESTMENTS:

Road and equipment property		$865,810,465
Accrued depreciation—road and equipment	$164,104,806	
Accrued amortization of defense projects—road and equipment	41,008,853	205,113,659
Total investment road and equipment less depreciation and amortization		660,696,806
Capital and other reserve funds		2,969,856
Miscellaneous physical property		7,933,260
Investments in affiliated companies:		
Stocks	$ 26,006,007	
All other	12,172,153	38,178,160
Other investments:		
Stocks	$ 3,690,428	
Bonds	7,150,986	
All other	11,607	10,853,021
Total investments less depreciation and amortization		720,631,103

CURRENT ASSETS:

Cash	27,035,592
Temporary cash investments	24,119,376
Special deposits	2,257,239
Loans and bills receivable	396
Net balance receivable from agents and conductors	4,989,227
Miscellaneous accounts receivable	6,637,768
Material and supplies	20,120,806
Interest and dividends receivable	111,775
Accrued accounts receivable	6,754,097
Other current assets	797,957
Total current assets	92,824,233

DEFERRED ASSETS:

Working fund advances	208,644
Other deferred assets	738,911
Total deferred assets	947,555

UNADJUSTED DEBITS:

Prepayments	314,533
Discount on funded debt	392,403
Other unadjusted debits	3,372,058
Total unadjusted debits	4,078,994
Grand Total	$818,481,885

GENERAL BALANCE SHEET

December 31, 1955

LIABILITIES

CAPITAL STOCK:		
Common stock—Par value $100 per share		$170,839,100
LONG-TERM DEBT:		
Funded debt unmatured (Page 36):		
Total book liability	$323,506,100	
Less held by or for the company	178,379,100	145,127,000
Equipment obligations (Page 36)		71,788,240
Amounts payable to affiliated companies		1,122,951
Total long-term debt		218,038,191
CURRENT LIABILITIES:		
Traffic and car service balances—Cr.		3,093,819
Audited accounts and wages payable		13,375,708
Miscellaneous accounts payable		3,763,447
Interest matured unpaid		280,693
Unmatured interest accrued		2,112,253
Accrued accounts payable		5,267,500
Taxes accrued		18,454,152
Other current liabilities		4,102,081
Total current liabilities		50,449,653
DEFERRED LIABILITIES:		
Other deferred liabilities		463,787
UNADJUSTED CREDITS:		
Premium on funded debt		306
Insurance reserves		1,392,996
Other unadjusted credits		6,550,934
Accrued depreciation—leased property		102,037
Total unadjusted credits		8,046,273
SURPLUS:		
Unearned surplus		309,843
Earned surplus—appropriated (Page 32)		48,025,460
Earned surplus—unappropriated (Page 32)		322,309,578
Total surplus		370,644,881
Grand Total		$818,481,885

COMPARATIVE STATEMENT OF UNAPPROPRIATED EARNED SURPLUS ACCOUNT, YEARS ENDED DECEMBER 31

	1955	1954	Increase	Decrease
CREDITS:				
Credit balance at beginning of year	$309,103,639	$306,384,993	$ 2,718,646	....
Credit balance transferred from income	9,344,944	10,198,818	....	$ 853,874
Miscellaneous credits	3,977,670	2,358,619	1,619,051	....
Total	$322,426,253	$318,942,430	$ 3,483,823	....
DEBITS:				
Miscellaneous debits	$ 116,675	$ 9,838,791	....	$ 9,722,116
Credit balance carried to balance sheet	322,309,578*	309,103,639*	$ 13,205,939	....
Total	$322,426,253	$318,942,430	$ 3,483,823	....

* Approximate application of Income included in Unappropriated Earned Surplus as of December 31:

	1955	1954
Net working capital retained in the business	$ 47,142,741	$ 36,921,736
Invested in affiliated and non-affiliated companies	20,483,985	20,005,961
Expended in improving the Railroad plant	254,682,852	252,175,942
	$322,309,578	$309,103,639

Appropriated Surplus Income of $48,025,460 (page 31) was expended in retiring Funded Debt prior to year 1928.

INVESTMENT IN ROAD AND EQUIPMENT
YEAR 1955

Account		Additions and Betterments
Engineering	Cr.	$ 84,693
Land for transportation purposes		8,187
Other right-of-way expenditures		20,929
Grading	Cr.	18,920
Tunnels and subways	Cr.	4,996
Bridges, trestles and culverts		332,171
Ties	Cr.	320,145
Rails		181,837
Other track material		467,115
Ballast	Cr.	144,011
Track laying and surfacing	Cr.	262,586
Fences, snowsheds and signs	Cr.	6,273
Station and office buildings		436,048
Roadway buildings	Cr.	376,825
Water stations	Cr.	538,239
Fuel stations	Cr.	363,674
Shops and enginehouses	Cr.	775,763
Communication systems		59,160
Signals and interlockers		997,527
Power plants	Cr.	87,550
Power-transmission systems		3,660
Miscellaneous structures		458
Roadway machines		18,780
Roadway small tools		751
Public improvements—Construction	Cr.	31,529
Shop machinery	Cr.	156,158
Power-plant machinery	Cr.	150,238
Total expenditures for road	Cr.	794,977
Steam locomotives	Cr.	2,469,068
Other locomotives		8,095,198
Freight-train cars		5,793,974
Passenger-train cars		1,941,729
Work equipment	Cr.	91,245
Miscellaneous equipment		52,075
Total expenditures for equipment		13,322,663
General officers and clerks	Cr.	15,882
Law	Cr.	9,470
Stationery and printing	Cr.	1,256
Taxes	Cr.	5,560
Interest during construction	Cr.	245,140
Other expenditures—General	Cr.	3,478
Total general expenditures	Cr.	280,786
Grand Total		$12,246,900

"Cr."—Credits due to retirements.

STATISTICS OF OPERATIONS

ITEMS	1955	1954
Actual miles road operated, end of year	8,805.85	8,858.05
Average mileage of road operated—Total	8,823.89	8,860.31
Average mileage of road operated—Freight Service	8,789.87	8,826.12
Average mileage of road operated—Passgr. Service	4,866.67	4,903.96
TRAIN MILES		
Freight	13,730,367	13,757,076
Passenger	11,911,929	12,102,298
Total transportation service	25,642,296	25,859,374
Work service	121,488	118,550
LOCOMOTIVE MILES		
Freight	14,091,156	14,142,003
*Passenger	11,290,936	11,423,913
Train and yard switching	6,947,960	6,875,025
Total transportation service	32,330,052	32,440,941
Work service	614,402	577,150
CAR MILES		
Loaded freight cars	588,897,597	564,260,121
Empty freight cars	277,550,895	296,141,328
Sum of loaded and empty	866,448,492	860,401,449
Caboose	12,995,785	13,025,478
Total freight cars	879,444,277	873,426,927
Coach and combination passenger cars	29,330,474	28,821,867
Sleeping and parlor	22,473,763	22,386,449
Club, lounge, dining and observation	9,849,801	9,747,299
Other	43,585,075	43,327,201
Total passenger cars	105,239,113	104,282,816
Total transportation service	984,683,390	977,709,743
Work service	1,061,282	1,017,092
FREIGHT SERVICE		
Tons—revenue freight	49,183,080	47,616,718
Tons—revenue and non-revenue freight	51,719,024	50,157,448
Ton-miles—revenue freight	16,096,078,287	15,709,662,010
Ton-miles—revenue and non-revenue freight	16,850,439,300	16,322,013,500
PASSENGER SERVICE		
Passengers carried—revenue	11,603,584	11,035,546
Passenger miles—revenue	861,327,340	837,706,035

*Excludes mileage of combination motor passenger cars:

1955 — 727,429
1954 — 789,430

STATISTICS OF OPERATIONS—Continued

ITEMS	1955	1954
AVERAGES PER MILE OF ROAD		
Freight-train miles	1,562	1,559
Passenger-train miles	2,448	2,468
Transportation service train-miles	2,906	2,919
Transportation service locomotive-miles	3,664	3,661
Freight service car-miles	100,052	98,959
Passenger service car-miles	21,624	21,265
Freight revenue	$23,174.45	$23,373.96
Passenger service train revenue	$ 7,300.17	$ 7,532.40
Operating revenues	$28,244.49	$28,481.25
Operating expenses	$21,612.34	$21,481.61
Net operating revenue	$ 6,632.15	$ 6,999.64
Net railway operating income	$ 3,002.12	$ 3,131.78
Ton-miles—revenue freight	1,824,147	1,773,038
Ton-miles—all freight	1,917,029	1,849,285
Passenger-miles—revenue	97,613	94,546
AVERAGES PER TRAIN-MILE		
Loaded freight car-miles	42.89	41.02
Empty freight car-miles	20.21	21.53
Ton-miles—revenue freight	1,172.30	1,141.93
Ton-miles—all freight	1,227.24	1,186.44
Passenger train car-miles	8.83	8.62
Revenue passenger-miles	72.31	69.22
Freight revenue	$ 14.84	$ 15.00
Passenger service train revenue	$ 2.98	$ 3.05
Operating revenues	$ 9.72	$ 9.76
Operating expenses	$ 7.44	$ 7.36
Net operating revenue	$ 2.28	$ 2.40
AVERAGES PER LOADED FREIGHT CAR MILE		
Ton-miles—revenue freight	27.33	27.84
Ton-miles—all freight	28.61	28.93
Freight revenue	$ .34590	$ .36561
AVERAGES PER CAR-MILE, PASSENGER		
Passenger-miles—revenue	16.87	16.60
Passenger revenue	$ .37709	$ .37500
MISCELLANEOUS AVERAGES		
Miles hauled—revenue freight	327.27	329.92
Miles hauled—non-revenue freight	297.47	241.41
Miles hauled—all freight	325.81	325.42
Miles carried—revenue passengers	74.23	75.91
Revenue per ton of freight	$ 4.14168	$ 4.33254*
Revenue per ton-mile of freight	$ .01266	$ .01313
Revenue per passenger	$ 1.65894	$ 1.71421
Revenue per passenger-mile	$ .02235	$ .02258
Operating ratio	76.52	75.42

*Restated

FUNDED DEBT

December 31, 1955

	Owned by Company		Outstanding
	Unpledged	Pledged	
GENERAL MORTGAGE			
4% Bonds Due 3-1-1958	$ 7,282,000	(a)$146,542,000	$ 24,590,000
FIRST AND REFUNDING MORTGAGE			
Series B 4½% Bonds Due 2-1-1977	12,433,100		
Series of 1970 4½% Bonds Due 8-1-1970	10,140,000		
Series of 1970 2⅞% Bonds Due 8-1-1970	300,000		(b) 46,932,000
Series of 1985 3⅛% Bonds Due 8-1-1985	1,656,000		(c) 48,803,000
Series of 1990 3% Bonds Due 2-1-1990	26,000		(d) 23,453,000
Total Bonds	$31,837,100	$146,542,000	$143,778,000
UNSECURED NOTE			
3% Note Due 7-1-1957			1,349,000
EQUIPMENT TRUST CERTIFICATES			
Average interest 2.62%			46,918,000
CONDITIONAL SALE CONTRACTS			
Average interest 2.87%			24,870,240
Total Funded Debt	$31,837,100	$146,542,000	$216,915,240

(a) Pledged under First and Refunding Mortgage.

(b) Annual sinking fund $248,825.

(c) Annual sinking fund $325,000 together with an amount equal to 10% of dividends paid by the Company on its capital stock in the preceding calendar year.

(d) Annual sinking fund $250,000.

CHANGES IN CAPITAL LIABILITIES IN 1955

	Increase	Decrease
Bonds redeemed:		
First and Refunding 2⅞% Series of 1970		$ 298,000
First and Refunding 3⅛% Series of 1985		1,831,000
First and Refunding 3% Series of 1990		25,000
Principal of Unsecured Note redeemed:		
3% Unsecured Note 8/1/55		284,000
Principal of Equipment Obligations retired:		
Equipment Trust of 1948		482,000
Equipment Trust of 1949—No. 1		214,000
Equipment Trust of 1949—No. 2		206,000
Equipment Trust of 1950		680,000
Equipment Trust of 1953—No. 1		470,000
Equipment Trust of 1953—No. 2		360,000
Equipment Trust of 1954—No. 1		490,000
Equipment Trust of 1954—No. 2		320,000
Equipment Trust of 1955—No. 1		290,000
Equipment Conditional Sale Contracts		7,409,802
Securities issued:		
3% Unsecured Note 8/1/55	$ 1,633,000	
Equipment Trust of 1955—No. 1	8,700,000	
Equipment Trust of 1955—No. 2	4,350,000	
	$14,683,000	$13,359,802
Net Increase	$ 1,323,198	

DESCRIPTION OF MORTGAGES

General Mortgage

The General Mortgage is a first lien on 7,591.11 miles of main and branch line railroad now owned by the Company, including terminals and appurtenant property, situated in the States of Illinois, Wisconsin, Minnesota, Iowa, Missouri, Nebraska, Kansas, Colorado, South Dakota, Wyoming, and Montana; is a first lien on all locomotives, cars, and other rolling stock and equipment owned by the Company and not subject to any equipment trust or conditional sale agreement securing the purchase price thereof; and also is a first lien on 305,262 shares of the capital stock of The Colorado and Southern Railway Company, which are pledged under this Mortgage.

The General Mortgage contains no provision for redemption of the Bonds or for sinking fund. No additional Bonds may be issued under the Mortgage, but there is no limitation on the right to extend, by agreement with the holders, the maturity of outstanding General Mortgage Bonds.

First and Refunding Mortgage

The First and Refunding Mortgage is secured by the pledge of $146,542,000 principal amount, or 82.1 per cent of the General Mortgage Bonds issued, so that $1,230 principal amount of General Mortgage Bonds are pledged under the First and Refunding Mortgage with respect to each $1,000 principal amount of First and Refunding Mortgage Bonds outstanding in the hands of the public December 31, 1955. The First and Refunding Mortgage is a second lien on all railroad, equipment, and capital stock, on which the General Mortgage is a first lien as above stated, and the First and Refunding Mortgage is a first lien on 478.29 miles of railroad owned by the Company in the States of Wyoming, Montana, Illinois, Wisconsin, and Nebraska, and on certain capital stock of bridge, depot, terminal, and other companies.

Additional First and Refunding Mortgage Bonds may be issued, subject to the provisions and limitations of the Mortgage and the Supplemental Indentures thereto.

Provisions for the redemption of each series of First and Refunding Mortgage Bonds, and the sinking funds are summarized as follows:

Series of 1970 2⅞% Bonds may be redeemed as a whole, or in part, on any interest date at 103⅞ August 1, 1953 to July 31, 1957; thereafter the premium reduces periodically to August 1, 1969, after which date they are callable at par; in each instance with accrued interest.

An annual sinking fund of $248,825 for redemption of Series of 1970 2⅞% Bonds is payable to the Trustee on or before May 1 each year. For such redemption, prices are 101⅞ August 1, 1953 to July 31, 1957, reduced periodically to August 1, 1969, and thereafter at par; in each instance with accrued interest.

Series of 1985 3⅛% Bonds may be redeemed as a whole, or in part, on any interest date at 104½ August 1, 1953 to July 31, 1957; thereafter the premium reduces periodically to August 1, 1982, after which date they are callable at par; in each instance with accrued interest.

An annual sinking fund of $325,000, together with an amount equal to 10% of dividends paid by the Company on its capital stock in the preceding calendar year, is payable to the Trustee on or before May 1 in each year for redemption of the Series of 1985 Bonds. Redemption prices are 102 August 1, 1953 to July 31, 1957, reduced periodically to August 1, 1982, and thereafter at par; in each instance with accrued interest.

Series of 1990 3% Bonds may be redeemed as a whole, or in part, on any interest date at 103⅝ February 1, 1954 to January 31, 1958; thereafter the premium reduces periodically to January 31, 1989, after which date they are callable at par; in each instance with accrued interest.

An annual sinking fund of $250,000 for redemption of Series of 1990 3% Bonds is payable to the Trustee on or before November 1 each year. For such redemption, prices are 100⅞ February 1, 1954 to January 31, 1958, reduced periodically to January 31, 1989, and thereafter at par; in each instance with accrued interest.

MILEAGE

	Miles of Road	Second Track	Third Track	Fourth Track	Yard Tracks and Sidings*	Total
Owned						
Colorado	392.57	.52			181.53	574.62
Illinois	1,579.93	382.67	40.95	2.19	1,025.38	3,031.12
Iowa	998.57	249.44			276.91	1,524.92
Kansas	200.49				23.33	223.82
Minnesota	23.09	2.71			38.91	64.71
Missouri	1,148.97	115.90			428.81	1,693.68
Montana	134.53				47.05	181.58
Nebraska	2,640.54	29.32			771.36	3,441.22
South Dakota	183.48				32.78	216.26
Wisconsin	220.25	214.17			64.65	499.07
Wyoming	677.59				213.70	891.29
Total*	8,200.01	994.73	40.95	2.19	3,104.41	12,342.29
Operated under lease or contract	605.53	129.90	.76	.76	450.32	1,187.27
Grand Total*	8,805.54	1,124.63	41.71	2.95	3,554.73	13,529.56

*Includes yard tracks and sidings owned but not operated as follows: Illinois .71 mile, Iowa .71 mile, Nebraska .27 mile, total 1.69 miles.

OWNED EQUIPMENT IN SERVICE

Description	Number on Dec. 31, 1954	Number Added During Year	Number Retired During Year	Number on Dec. 31, 1955	Average tractive power all locomotives and average capacity all freight cars
Locomotives—Steam	183		43	140	
—Diesel Road	447	35	6	476	
—Diesel Switch	168	10		178	
—Gas-Electric	2			2	
Total Locomotives	800	45	49	796	60,908 Lbs.
Freight-train cars:					
Box	23,381	138	300	23,219	
Flat	1,926	10	22	1,914	
Stock	3,504		17	3,487	
Gondola and Hopper	13,746	645	460	13,931	
Caboose	544		15	529	
All classes of freight-train cars	43,101	793	814	43,080	50.16 Tons
Passenger-train cars:‡					
Coaches	263	13	3	273	
Combination coach	60			60	
Parlor	6			6	
Dining	30		2	28	
Club, lounge and observation	22	1		23	
Postal	23			23	
Baggage, express and other nonpassenger	535		10	525	
Other passenger cars	31		4	27	
Total	970	14	19	965	
Passenger rail motor cars:					
Combination coach	5			5	
Other passenger-train rail motor	8			8	
Total	13			13	
All classes of passenger-train cars	983	14	19	978	
Company service cars:					
Officers' and business	17		2	15	
Ballast	1,288		1	1,287	
Derrick	3			3	
Wrecking	19			19	
Other company service	3,230	98	179	3,149	
All classes of company service cars	4,557	98	182	4,473	
All classes of cars in service	48,641	905	1,015	48,531	

OWNED EQUIPMENT LEASED

Description	Number Under Lease on Dec. 31, 1954	Number Leased During Year	Number Withdrawn from Lease During Year	Number Under Lease on Dec. 31, 1955
Diesel-electric locomotive	1		1	
Freight-refrigerator cars*	2,244	152	77	2,319
Freight-flat cars	26		26	
Passenger-refrigerator cars*	15		2	13
Zephyr train cars†	5			5
Sleeping cars#	90		1	89

‡32 cars are articulated
*Leased to Burlington Refrigerator Express Co.
†Leased to Fort Worth and Denver Ry. Co.
#Leased to Pullman Co. (8 cars are articulated)

COMPARATIVE STATEMENT OF INCOME ACCOUNT FOR YEARS ENDED DECEMBER 31

	1955	1954	Increase	Decrease
RAILWAY OPERATING REVENUES—				
TRANSPORTATION:				
Freight	$203,700,425	$206,301,405		$ 2,600,980
Passenger	19,249,645	18,917,207	$ 332,438	
Baggage	23,117	41,276		18,159
Parlor and chair car	160,035	145,790	14,245	
Mail	10,015,901	11,696,538		1,680,637
Express	3,381,927	3,491,260		109,333
Other passenger-train	219,088	190,370	28,718	
Milk	227,014	260,632		33,618
Switching	4,098,123	3,812,935	285,188	
Total	$241,075,275	$244,857,413		$ 3,782,138
INCIDENTAL:				
Dining and buffet	$ 2,250,795	$ 2,195,491	$ 55,304	
Station and train privileges	56,154	54,208	1,946	
Parcel room	492	491	1	
Storage—Freight	38,052	47,825		$ 9,773
Storage—Baggage	4,071	4,131		60
Demurrage	495,449	436,435	59,014	
Communication	115,044	117,452		2,408
Power	6,874	6,716	158	
Rents of buildings and other property	407,964	390,412	17,552	
Miscellaneous	3,833,946	3,327,826	506,120	
Total	$ 7,208,841	$ 6,580,987	$ 627,854	
Joint facility—Cr.	$ 961,686	$ 937,745	$ 23,941	
Joint facility—Dr.	Dr. 19,530	Dr. 23,431	3,901	
Total	$ 942,156	$ 914,314	$ 27,842	
Total railway operating revenues	$249,226,272	$252,352,714		$ 3,126,442

	1955	1954	Increase	Decrease
RAILWAY OPERATING EXPENSES—				
Maintenance of way and structures	$ 32,268,241	$ 30,376,145	$ 1,892,096	....
Maintenance of equipment	29,129,338	33,466,476	....	$ 4,337,138
Traffic	6,155,534	6,098,579	56,955	....
Transportation	97,279,128	95,609,781	1,669,347	....
Miscellaneous operations	3,484,666	3,352,454	132,212	....
General	6,876,533	6,673,317	203,216	....
Railway operating expenses—excluding depreciation and retirements	$175,193,440	$175,576,752	....	$ 383,312
Depreciation and Retirements—				
Road Property	5,490,933	5,042,966	$ 447,967	....
Equipment	10,020,558	9,714,043	306,515	....
Total railway operating expenses	$190,704,931	$190,333,761	$ 371,170	....
Operating Ratio (For Operating Ratios by general accounts see Page 29)	76.52	75.42	1.10	....
Net revenue from railway operations	$ 58,521,341	$ 62,018,953	....	$ 3,497,612
Railway tax accruals	$ 28,850,235	$ 28,989,381	....	$ 139,146
Railway operating income	$ 29,671,106	$ 33,029,572	....	$ 3,358,466
RENT INCOME				
Rent from equipment	$ 1,773,954	$ 2,517,275	....	$ 743,321
Joint facility rent income	753,937	746,403	$ 7,534	....
Total rent income	$ 2,527,891	$ 3,263,678	....	$ 735,787
RENTS PAYABLE				
Rent for equipment	$ 2,914,408	$ 5,834,781	....	$ 2,920,373
Joint facility rents	2,794,186	2,709,940	$ 84,246	....
Total rents payable	$ 5,708,594	$ 8,544,721	....	$ 2,836,127
Net rents	Dr.$ 3,180,703	Dr.$ 5,281,043	$ 2,100,340	....
Net railway operating income	$ 26,490,403	$ 27,748,529	....	$ 1,258,126

COMPARATIVE STATEMENT OF INCOME ACCOUNT FOR YEARS ENDED DECEMBER 31—Continued

	1955	1954	Increase	Decrease
OTHER INCOME				
Income from lease of road and equipment	$ 6,876	$ 6,663	$ 213	
Miscellaneous rent income	610,338	591,638	18,700	
Income from nonoperating property	335,513	280,174	55,339	
Separately operated properties—profit	11,851	15,095		$ 3,244
Dividend income	997,500	1,030,473		32,973
Interest income	559,833	415,566	144,267	
Release of premiums on funded debt	21	21		
Miscellaneous income	20,460	28,068		7,608
Total other income	$ 2,542,392	$ 2,367,698	$ 174,694	
Total income	$ 29,032,795	$ 30,116,227		$ 1,083,432
MISCELLANEOUS DEDUCTIONS FROM INCOME				
Miscellaneous rents	$ 31,695	$ 47,141		$ 15,446
Miscellaneous tax accruals	147,758	139,229	$ 8,529	
Miscellaneous income charges	61,318	274,947		213,629
Total miscellaneous deductions	$ 240,771	$ 461,317		$ 220,546
Income available for fixed charges	$ 28,792,024	$ 29,654,910		$ 862,886
FIXED CHARGES				
Rent for leased roads and equipment	$ 51,710	$ 51,520	$ 190	
Interest on funded debt	6,524,607	6,543,395		$ 18,788
Interest on unfunded debt	3,682	1,401	2,281	
Amortization of discount on funded debt	54,179	46,874	7,305	
Total fixed charges	$ 6,634,178	$ 6,643,190		$ 9,012
Net income after fixed charges	$ 22,157,846	$ 23,011,720		$ 853,874
Dividend appropriations of income	$ 12,812,902	$ 12,812,902		
Balance of income transferred to Earned Surplus	$ 9,344,944	$ 10,198,818		$ 853,874

CHICAGO, BURLINGTON & QUINCY RAILROAD COMPANY

OPERATING REVENUES

Year ended December 31	Average operated mileage	Freight Revenue	Passenger Revenue	Mail, express and miscellaneous revenue
1921	9,393.07	$122,716,630	$ 31,396,048	$ 14,599,590
1922	9,393.69	121,388,901	28,380,104	15,147,466
1923	9,401.41	126,433,098	28,569,831	16,267,732
1924	9,407.23	119,773,873	26,522,642	16,378,363
1925	9,398.62	118,670,808	25,116,398	15,367,972
1926	9,403.79	121,410,650	24,288,307	15,618,485
1927	9,390.00	118,497,414	22,058,572	15,764,468
1928	9,375.44	126,952,879	19,715,276	16,223,254
1929	9,373.21	126,777,844	18,817,973	16,814,108
1930	9,332.76	111,157,128	15,360,186	14,862,108
1931	9,312.69	88,237,564	11,205,062	11,776,334
1932	9,261.96	63,182,739	7,311,279	9,049,611
1933	9,237.41	63,319,234	6,722,104	8,455,637
1934	9,143.98	64,815,018	6,749,238	8,723,903
1935	9,035.66	66,817,189	6,978,101	9,129,919
1936	9,004.40	79,716,638	8,217,025	10,148,748
1937	8,975.40	79,966,473	9,717,844	10,466,895
1938	8,964.66	74,134,765	9,141,388	9,793,983
1939	8,973.06	76,853,603	9,167,835	10,110,356
1940	8,973.21	78,198,344	8,964,197	10,468,701
1941	9,036.00	94,874,259	10,697,250	11,949,846
1942	9,077.68	131,770,823	19,100,283	14,418,219
1943	9,029.56	166,123,159	32,923,900	18,905,424
1944	8,989.35	180,453,652	40,141,385	20,042,363
1945	8,965.22	183,286,915	38,193,572	21,062,311
1946	8,865.75	148,897,285	27,896,559	19,131,821
1947	8,864.97	181,409,104	19,029,068	20,740,839
1948	8,813.82	199,341,245	20,198,852	21,823,554
1949	8,766.61	179,802,953	17,818,681	20,374,874
1950	8,842.51	199,932,606	17,679,514	27,635,441
1951	8,824.01	220,253,697	19,192,719	27,147,252
1952	8,823.89	223,230,964	20,173,457	26,943,359
1953	8,866.77	230,610,550	20,349,507	27,453,755
1954	8,860.31	206,301,405	18,917,207	27,134,102
1955	8,823.89	203,700,425	19,249,645	26,276,202

CHICAGO, BURLINGTON & QUINCY RAILROAD COMPANY

REVENUES, EXPENSES, AND TAXES

Year Ended Dec. 31	Total Operating Revenues	Total Operating Expenses	Taxes	Average Per Mile of Road Operated		
				Operating Revenues	Operating Expenses	Taxes
1921	$168,712,268	$128,216,290	$ 9,718,568	$17,961	$13,650	$1,035
1922	164,916,471	126,777,703	10,890,007	17,556	13,496	1,159
1923	171,270,661	134,290,379	9,268,055	18,218	14,284	986
1924	162,674,878	119,958,734	10,642,576	17,293	12,752	1,131
1925	159,155,178	116,671,868	10,975,481	16,934	12,414	1,168
1926	161,317,442	116,462,808	11,480,061	17,155	12,385	1,221
1927	156,320,454	111,917,503	11,676,578	16,648	11,919	1,244
1928	162,891,409	114,191,159	11,192,210	17,374	12,180	1,194
1929	162,409,925	111,565,542	12,025,394	17,327	11,903	1,283
1930	141,379,422	98,877,813	11,191,877	15,149	10,595	1,199
1931	111,218,960	77,465,969	9,955,502	11,943	8,318	1,069
1932	79,543,629	58,517,604	8,148,156	8,588	6,318	880
1933	78,496,975	54,361,599	6,918,697	8,498	5,885	749
1934	80,288,159	58,007,983	5,783,597	8,780	6,344	633
1935	82,925,209	62,544,384	5,983,920	9,178	6,922	662
1936	98,082,411	71,243,003	8,411,126	10,893	7,912	934
1937	100,151,212	74,278,004	7,731,466	11,158	8,276	861
1938	93,070,136	67,087,220	9,061,509	10,382	7,484	1,011
1939	96,131,794	70,885,896	8,616,802	10,713	7,900	960
1940	97,631,242	71,853,873	8,697,632	10,880	8,008	969
1941	117,521,355	83,047,925	11,900,410	13,006	9,191	1,317
1942	165,289,325	99,415,696	26,192,996	18,208	10,952	2,885
1943	217,952,483	123,559,336	55,573,644	24,138	13,684	6,155
1944	240,637,400	145,854,303	57,190,637	26,769	16,225	6,362
1945	242,542,798	174,150,921	30,248,889	27,054	19,425	3,374
1946	195,925,665	139,250,672	25,693,903	22,099	15,707	2,898
1947	221,179,011	149,996,344	34,407,950	24,950	16,920	3,881
1948	241,363,651	167,888,010	35,912,048	27,385	19,048	4,075
1949	217,996,508	167,265,649	26,192,248	24,867	19,080	2,988
1950	245,247,561	161,964,673	39,773,302	27,735	18,317	4,498
1951	266,593,668	189,234,239	41,233,781	30,212	21,445	4,673
1952	270,347,780	193,435,960	39,690,137	30,638	21,922	4,498
1953	278,413,812	203,124,368	39,557,462	31,400	22,909	4,461
1954	252,352,714	190,333,761	28,989,381	28,481	21,481	3,272
1955	249,226,272	190,704,931	28,850,235	28,244	21,612	3,270

CHICAGO, BURLINGTON & QUINCY RAILROAD COMPANY

SUMMARY OF FINANCIAL RESULTS

Year ended December 31	Total revenues, including income from other sources	Expenses, taxes, rentals, and other charges	Interest on Funded Debt	Net Income	Earnings per Share of Stock
1921	$171,852,639	$139,435,531	$6,807,134	$25,609,974	$16.43
1922	168,386,706	140,005,948	8,119,271	20,261,487	11.86
1923	173,735,425	146,188,407	8,256,488	19,290,530	11.29
1924	164,788,967	134,247,699	8,641,439	21,899,829	12.82
1925	161,234,121	131,356,234	8,693,294	21,184,593	12.40
1926	164,314,046	131,699,096	8,626,981	23,987,969	14.04
1927	159,202,361	128,632,779	9,126,458	21,443,124	12.55
1928	165,929,135	130,473,328	9,177,555	26,278,252	15.38
1929	166,122,417	127,461,244	9,084,635	29,576,538	17.31
1930	144,904,521	113,840,027	9,084,635	21,979,859	12.87
1931	113,518,034	91,113,664	9,084,635	13,319,735	7.80
1932	80,906,548	70,319,097	9,084,635	1,502,816	.88
1933	80,058,804	65,376,145	9,084,635	5,598,024	3.28
1934	81,542,327	68,002,932	9,084,635	4,454,760	2.61
1935	84,006,102	73,078,623	9,084,635	1,842,844	1.08
1936	99,376,761	85,081,198	9,138,399	5,157,164	3.02
1937	101,506,074	87,279,925	9,318,895	4,907,254	2.87
1938	94,165,952	81,111,532	9,412,657	3,641,763	2.13
1939	97,266,759	84,228,649	9,376,771	3,661,339	2.14
1940	98,701,774	84,895,212	9,413,698	4,392,864	2.57
1941	118,744,477	98,760,692	9,564,643	10,419,142	6.10
1942	166,665,657	128,483,699	9,535,038	28,646,920	16.77
1943	219,490,878	182,551,064	8,708,550	28,231,264	16.53
1944	242,151,510	209,035,730	8,468,658	24,647,122	14.43
1945	244,142,926	209,309,218	7,428,309	27,405,399	16.04
1946	198,259,728	169,368,261	5,788,692	23,102,775	13.52
1947	223,062,115	189,666,103	5,654,141	27,741,871	16.24
1948	242,652,523	208,881,475	5,689,348	28,081,700	16.44
1949	219,734,305	198,626,445	5,688,368	15,419,492	9.03
1950	247,617,300	207,712,870	6,142,775	33,761,655	19.76
1951	268,204,066	237,039,202	5,915,576	25,249,288	14.78
1952	272,635,351	238,955,578	5,679,181	28,000,592	16.39
1953	280,892,910	249,044,595	6,186,809	25,661,506	15.02
1954	254,720,412	225,165,297	6,543,395	23,011,720	13.47
1955	251,768,664	223,086,211	6,524,607	22,157,846	12.97

CHICAGO, BURLINGTON & QUINCY RAILROAD COMPANY

MAINTENANCE AND TRANSPORTATION EXPENSES

Year ended Dec. 31	Avge. oper. mileage	Maintenance of Way and Structures	Maintenance of Equipment	Transportation	Average per Mile of Road Operated		
					M. of W. & S.	M. of E.	Transp.
1921	9,393.07	$22,917,767	$34,290,506	$63,564,017	$2,440	$3,651	$6,767
1922	9,393.69	20,769,379	35,735,414	62,875,593	2,211	3,804	6,693
1923	9,401.41	21,984,557	40,654,336	63,395,808	2,338	4,324	6,743
1924	9,407.23	19,413,917	34,786,170	57,810,258	2,064	3,698	6,145
1925	9,398.62	19,737,011	33,669,420	55,021,563	2,100	3,582	5,854
1926	9,403.79	23,965,178	30,131,658	54,315,494	2,548	3,204	5,776
1927	9,390.00	23,668,878	26,486,675	53,503,272	2,521	2,821	5,698
1928	9,375.44	25,515,422	27,197,586	52,922,445	2,722	2,901	5,645
1929	9,373.21	24,414,605	26,080,966	52,083,144	2,605	2,783	5,557
1930	9,332.76	20,311,640	22,553,488	46,922,911	2,176	2,417	5,028
1931	9,312.69	13,721,164	17,785,942	38,030,549	1,473	1,910	4,084
1932	9,261.96	9,576,465	13,341,550	28,952,905	1,034	1,440	3,126
1933	9,237.41	8,561,684	12,140,500	27,374,245	927	1,314	2,963
1934	9,143.98	9,860,327	12,431,389	28,564,565	1,078	1,360	3,124
1935	9,035.66	10,824,581	14,950,520	30,844,332	1,198	1,655	3,414
1936	9,004.40	12,797,545	16,820,495	34,549,546	1,421	1,868	3,837
1937	8,975.40	14,033,990	17,275,279	36,183,417	1,564	1,925	4,031
1938	8,964.66	11,654,202	15,409,733	33,620,007	1,300	1,719	3,750
1939	8,973.06	12,844,765	17,381,993	34,256,996	1,431	1,937	3,818
1940	8,973.21	13,353,279	16,783,688	35,277,423	1,488	1,870	3,931
1941	9,036.00	16,959,394	19,816,531	39,526,885	1,877	2,193	4,374
1942	9,077.68	21,025,235	24,106,233	46,267,051	2,316	2,656	5,097
1943	9,029.56	29,835,736	28,195,666	55,805,743	3,304	3,123	6,180
1944	8,989.35	40,175,260	33,790,768	61,653,940	4,469	3,759	6,859
1945	8,965.22	47,843,082	51,952,634	63,650,499	5,337	5,795	7,100
1946	8,865.75	31,412,419	27,660,941	68,613,877	3,543	3,120	7,739
1947	8,864.97	32,484,480	29,682,429	75,766,163	3,664	3,348	8,547
1948	8,813.82	37,260,444	34,365,642	83,366,308	4,228	3,899	9,459
1949	8,766.61	36,261,258	38,419,338	78,842,227	4,136	4,382	8,993
1950	8,842.51	33,786,916	34,037,570	80,955,660	3,821	3,849	9,155
1951	8,824.01	41,782,837	39,300,552	93,513,741	4,735	4,454	10,597
1952	8,823.89	42,108,312	40,839,794	95,078,458	4,772	4,628	10,775
1953	8,866.77	49,071,802	40,018,049	97,998,903	5,534	4,513	11,052
1954	8,860.31	35,419,111	43,180,519	95,609,781	3,998	4,873	10,791
1955	8,823.89	37,759,174	39,149,896	97,279,128	4,279	4,437	11,025

CHICAGO, BURLINGTON & QUINCY RAILROAD COMPANY

OPERATING EXPENSE RATIOS

Year ended December 31	Maintenance of Way and Structures	Maintenance of Equipment	Transportation	Total Operating Expenses
1921	13.58	30.32	37.68	76.00
1922	12.59	21.67	38.13	76.87
1923	12.84	23.74	37.01	78.41
1924	11.93	21.38	35.54	73.74
1925	12.40	21.16	34.57	73.31
1926	14.85	18.68	33.67	72.19
1927	15.14	16.94	34.23	71.60
1928	15.66	16.70	32.48	70.10
1929	15.03	16.06	32.07	68.69
1930	14.37	15.95	33.19	69.94
1931	12.34	15.99	34.19	69.65
1932	12.04	16.77	36.40	73.57
1933	10.91	15.46	34.87	69.25
1934	12.28	15.48	35.58	72.25
1935	13.05	18.03	37.20	75.42
1936	13.05	17.15	35.22	72.64
1937	14.01	17.25	36.13	74.17
1938	12.52	16.56	36.12	72.08
1939	13.36	18.08	35.64	73.74
1940	13.68	17.19	36.13	73.60
1941	14.44	16.86	33.64	70.67
1942	12.72	14.59	27.99	60.15
1943	13.69	12.94	25.60	56.69
1944	16.70	14.04	25.62	60.61
1945	17.88	14.86	26.24	63.39
1946	16.03	14.10	35.02	71.07
1947	14.69	13.42	34.26	67.82
1948	15.44	14.24	34.54	69.56
1949	16.63	17.62	36.17	76.73
1950	13.78	13.88	33.01	66.04
1951	15.67	14.74	35.08	70.98
1952	15.57	15.11	35.17	71.55
1953	17.63	14.37	35.20	72.96
1954	14.03	17.11	37.89	75.42
1955	15.15	15.71	39.03	76.52

CHICAGO, BURLINGTON & QUINCY RAILROAD COMPANY

FREIGHT AND PASSENGER TRAFFIC

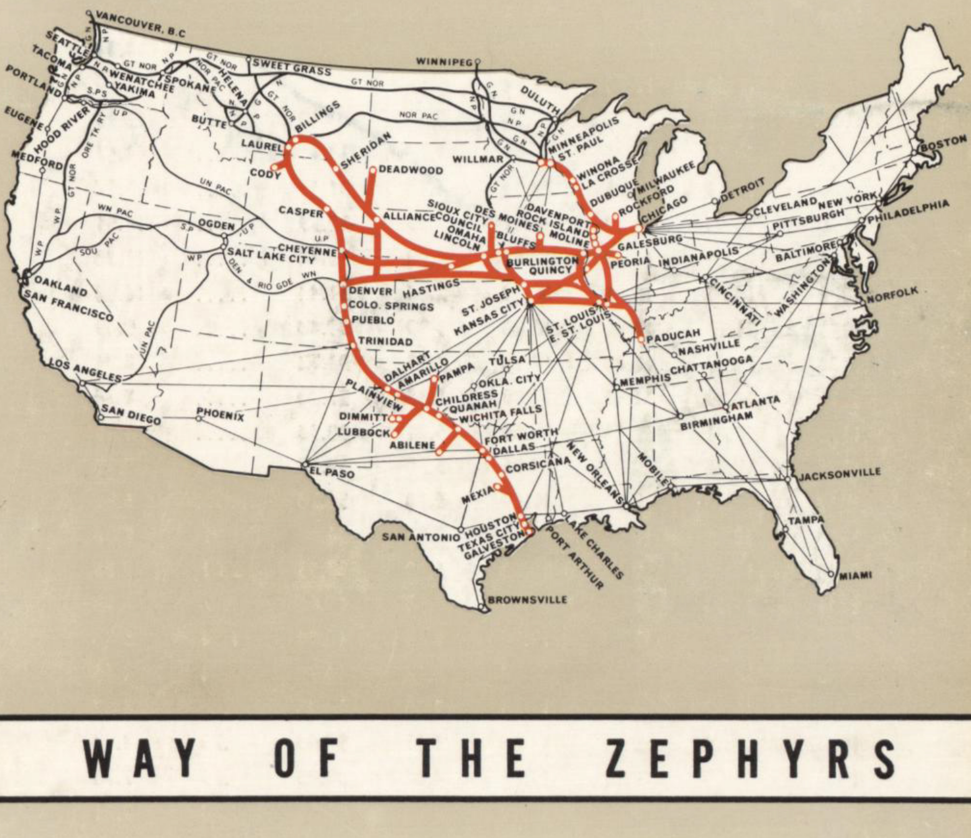
Year ended December 31	Carloads Revenue Freight (Excl. L.C.L.)	Revenue Ton Miles (000)	Revenue Per Ton Mile (Cents)	Revenue Passenger Miles (000)	Revenue Per Pass. Mile (Cents)
1921	1,138,140	10,554,788	1.163	999,701	3.141
1922	1,267,228	11,754,596	1.033	941,748	3.014
1923	1,422,035	12,690,384	.996	967,097	2.954
1924	1,392,061	12,287,748	.975	909,302	2.917
1925	1,394,884	12,298,288	.965	893,670	2.810
1926	1,427,076	12,651,222	.960	871,773	2.786
1927	1,380,681	11,918,019	.992	811,600	2.718
1928	1,477,074	12,931,723	.982	730,970	2.697
1929	1,468,784	12,873,521	.985	719,017	2.617
1930	1,285,504	11,356,359	.979	606,612	2.532
1931	1,015,772	8,888,694	.993	472,742	2.370
1932	761,188	6,297,639	1.003	347,834	2.102
1933	790,498	6,598,639	.960	387,065	1.737
1934	858,977	7,137,168	.908	425,949	1.585
1935	844,557	7,522,420	.888	424,789	1.643
1936	1,015,083	9,062,367	.880	499,516	1.645
1937	1,034,615	9,423,153	.849	587,409	1.654
1938	894,051	7,876,092	.941	530,835	1.722
1939	939,635	8,417,254	.913	544,510	1.684
1940	996,830	8,972,423	.872	539,670	1.661
1941	1,181,449	11,339,218	.837	640,033	1.671
1942	1,385,416	15,290,591	.862	1,080,880	1.767
1943	1,509,738	18,960,387	.876	1,822,197	1.807
1944	1,569,328	19,751,865	.914	2,220,707	1.808
1945	1,552,950	18,820,920	.974	2,116,701	1.804
1946	1,451,973	16,657,849	.894	1,529,489	1.824
1947	1,552,552	19,274,376	.941	955,746	1.991
1948	1,488,445	18,357,884	1.086	870,790	2.320
1949	1,314,873	15,250,054	1.179	757,891	2.351
1950	1,397,186	16,755,823	1.193	748,699	2.361
1951	1,491,768	18,625,332	1.183	826,128	2.323
1952	1,422,481	17,096,963	1.306	883,205	2.284
1953	1,452,471	16,825,004	1.371	902,036	2.256
1954	1,390,883	15,709,662	1.313	837,706	2.258
1955	1,437,596	16,096,078	1.266	861,327	2.235

CHICAGO, BURLINGTON & QUINCY RAILROAD COMPANY

PER CENT OF TOTAL FREIGHT REVENUE BY MAJOR COMMODITY GROUPS

Year Ended December 31	Products of Agriculture %	Animals and Products %	Products of Mines %	Products of Forests %	Manufactures and Misc. %	Forwarder Traffic %	Less Carload Freight %
1921	23.32	11.84	23.44	4.57	22.44	.....	14.39
1922	20.38	12.11	20.64	5.29	27.65	.....	13.93
1923	17.08	12.57	23.33	5.86	28.37	.....	12.79
1924	20.12	13.40	22.05	5.29	26.28	.....	12.86
1925	16.75	12.64	23.73	5.52	28.02	.....	13.34
1926	16.88	12.70	23.32	5.55	28.81	.....	12.74
1927	19.18	11.86	19.96	5.65	30.60	.....	12.75
1928	20.34	11.36	20.81	5.17	30.91	.....	11.41
1929	19.10	10.75	22.54	4.93	31.11	.....	11.57
1930	20.90	11.10	21.97	3.93	30.59	.....	11.51
1931	21.89	13.43	19.62	3.20	30.48	.....	11.38
1932	18.23	15.68	20.89	2.84	31.44	.....	10.92
1933	21.14	14.82	18.08	3.99	32.48	.....	9.49
1934	18.07	16.86	18.18	4.33	33.72	.....	8.84
1935	16.39	11.23	19.99	5.45	38.20	.....	8.74
1936	17.01	10.85	20.55	5.21	38.33	.....	8.05
1937	17.25	9.03	20.76	5.50	39.57	.....	7.89
1938	22.13	9.89	17.59	5.10	36.78	.....	8.51
1939	18.56	10.00	19.09	5.54	36.82	1.91	8.08
1940	17.86	9.55	20.00	5.79	37.53	2.01	7.26
1941	17.34	7.68	18.90	6.50	40.66	1.77	7.15
1942	16.10	7.10	19.73	6.25	43.90	1.34	5.58
1943	20.16	6.60	18.18	4.12	44.97	1.32	4.65
1944	16.13	6.38	15.95	3.56	52.43	.88	4.67
1945	19.23	5.91	14.08	3.11	52.03	.70	4.94
1946	22.93	7.91	17.06	4.58	39.03	.73	7.76
1947	24.06	6.19	20.39	4.72	35.65	1.78	7.21
1948	20.56	6.38	22.09	5.22	37.48	1.66	6.60
1949	23.71	7.58	17.24	6.15	37.91	1.78	5.64
1950	20.98	6.60	18.44	6.36	40.79	2.35	4.48
1951	22.36	6.32	18.03	5.73	40.41	3.28	3.87
1952	20.97	7.13	17.00	5.79	41.17	4.07	3.87
1953	18.82	7.47	15.53	5.45	44.97	4.29	3.47
1954	20.65	8.18	15.32	6.04	41.86	4.50	3.45
1955	18.95	8.33	15.91	6.65	41.38	5.16	3.62

EVERYWHERE WEST


VANCOUVER, B.C
SEATTLE
TACOMA
PORTLAND
EUGENE
MEDFORD
HOOD RIVER
WENATCHEE
YAKIMA
SPOKANE
HELENA
BUTTE
SWEET GRASS
GT NOR
NOR PAC
S.P.S
U P
ORE TR RY
WINNIPEG
DULUTH
BILLINGS
LAUREL
CODY
SHERIDAN
DEADWOOD
WILLMAR
MINNEAPOLIS
ST. PAUL
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LA CROSSE
DUBUQUE
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CHICAGO
DETROIT
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NEW YORK
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PHILADELPHIA
PITTSBURGH
BALTIMORE
WASHINGTON
NORFOLK
CINCINNATI
INDIANAPOLIS
GALESBURG
PEORIA
DAVENPORT
ROCK ISLAND
MOLINE
DES MOINES
SIOUX CITY
COUNCIL BLUFFS
OMAHA
LINCOLN
BURLINGTON
QUINCY
CASPER
ALLIANCE
CHEYENNE
UN PAC
WN PAC
OGDEN
SALT LAKE CITY
SOU PAC
W P
DEN & RIO GDE WN
OAKLAND
SAN FRANCISCO
DENVER
HASTINGS
COLO. SPRINGS
PUEBLO
TRINIDAD
ST. JOSEPH
KANSAS CITY
ST. LOUIS
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PADUCAH
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CHATTANOOGA
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BIRMINGHAM
LOS ANGELES
SAN DIEGO
PHOENIX
DALHART
AMARILLO
PAMPA
TULSA
OKLA. CITY
PLAINVIEW
CHILDRESS
QUANAH
WICHITA FALLS
DIMMITT
LUBBOCK
ABILENE
FORT WORTH
DALLAS
CORSICANA
NEW ORLEANS
MOBILE
JACKSONVILLE
TAMPA
MIAMI
EL PASO
MEXIA
SAN ANTONIO
HOUSTON
TEXAS CITY
GALVESTON
PORT ARTHUR
LAKE CHARLES
BROWNSVILLE

WAY OF THE ZEPHYRS

1955

Burlington Route